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Programme 9
Trade and development

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Overall orientation

9.1 The overall purpose of the programme is the integration of developing countries into the world economy in a manner that enhances the development opportunities offered by the globalization process while helping to shape international economic relations in the twenty-first century. The mandates for the programme flow from the role and responsibilities assigned to the secretariat of the United Nations Conference on Trade and Development (UNCTAD) by: the General Assembly, beginning with its resolution 1995 (XIX), by which UNCTAD was established; the quadrennial United Nations Conference on Trade and Development; the Economic and Social Council; and the Trade and Development Board and its subsidiary bodies. Mandates for the coming four years are set out in the Bangkok Declaration: Global Dialogue and Dynamic Engagement (TD/387) and the Plan of Action (TD/386) adopted by UNCTAD at its tenth session, held from 12 to 19 February 2000.

9.2 The programme will be implemented by UNCTAD and the International Trade Centre UNCTAD/WTO (ITC). The Centre's original mandate derives from General Assembly resolution 2297 (XXII). In its resolution 1819 (LV), the Economic and Social Council affirmed the role of ITC as the focal point for United Nations technical cooperation activities in trade promotion. ITC receives policy guidance from its parent bodies, UNCTAD and the World Trade Organization (WTO), and general direction from the annual meetings of the Joint Advisory Group, an intergovernmental body open to States members of UNCTAD and WTO.

9.3 At the tenth session of the United Nations Conference on Trade and Development, Member States recognized that ensuring that all countries enjoy the benefits of globalization requires meeting complex policy challenges which arise, particularly at the macroeconomic level, from the growing interdependence of the various spheres of economic activity, including in particular trade, finance and investment, and the downside risks which this interdependence sometimes carries. Member States reiterated that, as the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in finance, technology, investment and sustainable development, UNCTAD is pre-eminently placed to examine these issues and to build consensus on policies in a globalizing world from a development perspective. Incorporated in this perspective should be the "Evaluation of the developmental impact of globalization" as outlined in the Plan of Action.

9.4 In order to achieve its objectives, UNCTAD acts as a forum for intergovernmental discussions, supported by discussions with experts, aimed at consensus-building; undertakes research and analysis, *inter alia* to provide substantive inputs for these discussions; and provides related technical assistance tailored to the needs of beneficiary countries, concentrating on capacity-building. In this respect, UNCTAD will also undertake the new activities agreed to at the tenth session of UNCTAD, including the provision of training courses on key issues on the international economic agenda. UNCTAD will focus its work on four areas of activity: globalization and development; investment, enterprise development and technology; trade in goods and services and commodity issues; and services infrastructure for development and trade efficiency. The strategy to be followed takes into account the emphasis by Member States at the tenth session of UNCTAD on the role of the United Nations Conference on Trade and Development as the focal point for the United Nations system for least developed country issues. It will also take into account issues such as economic cooperation among developing countries and a gender perspective aiming at achieving gender equality in all economic sectors. The special needs and interests of small island developing States, landlocked developing countries, structurally weak and vulnerable economies and economies in transition will also be taken into account, as specified in chapter II of the Plan of Action. UNCTAD will continue its work with the private sector, non-governmental organizations, academia and parliamentarians with a view to addressing the challenges and opportunities of globalization and making progress towards a better and fairer integration of developing countries into the world economy.

9.5 ITC will complement the research, policy and normative work of its parent bodies, UNCTAD and WTO, by concentrating on operational issues related to the provision of information, product and market development, institutional development and support services for trade promotion, export development and international purchasing and supply management.

9.6 UNCTAD will be responsible for subprogrammes 1 to 5, while ITC will be responsible for subprogramme 6.

Subprogramme 1
Globalization, interdependence and development

A. Globalization, interdependence and development

Objective

9.7 The objective of the subprogramme is to contribute to international debate on the evolution and management of the consequences of globalization and to promote policies and strategies at the national, regional and international levels that are conducive to human development.

Strategy

9.8 The Division on Globalization and Development Strategies bears substantive responsibility for this subprogramme. Through dissemination of its analytical work and provision of a forum for exchange of views and perspectives, the subprogramme will contribute to increased understanding of the implications of global interdependence, macroeconomic reforms and structural adjustment for sustained economic growth and sustainable development, as well as to greater coherence of global economic policy-making and identification of policy approaches and actions with a focus on their effects on growth and development. Issues to be taken up will include the debt problems of developing countries, trends in official development assistance flows, and the role of regional integration. The subprogramme will bring a development perspective to financial and monetary issues by focusing on finance for development and by contributing to the debate on the reform of the international financial system. Through its analysis, the subprogramme will support developing countries in the design of sound domestic macroeconomic and financial policies and of policies to improve the positive effects of globalization and to minimize the negative ones; in strengthening their domestic forces of growth through capital accumulation; and in their institutional reforms and capacity-building in the context of the indispensable foundation for the realization of people-centred sustainable development, such as expanding and strengthening the democratic basis of institutions and ensuring sound public administration. Specific technical assistance will be provided on debt management and for the capacity-building of Palestinian institutions. Work in the subprogramme will take into consideration the experiences in the implementation of the Programme of Action for the Least Developed Countries for the 1990s and will aim at contributing to the implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States and related General Assembly resolutions, and at addressing the needs of landlocked and transit developing countries and structurally weak, vulnerable and small economies.

Expected accomplishments

9.9 The expected accomplishments of the subprogramme would include an increased understanding and an improved ability of policy makers to design appropriate policies and strategies related to the evolution and management of globalization, global interdependence and their implications for development policies and prospects.

Indicators of achievement

9.10 Indicators of achievement would include: (a) the timeliness, usefulness, degree of implementation, and quality of the subprogramme's research and analysis programme, as measured by readership and other surveys; (b) Member States' views on the practical value and impact on the development prospects of developing countries of policy recommendations, as expressed in the conclusions of the regular review of the work programmes undertaken by intergovernmental bodies; and (c) the degree of implementation, effectiveness and impact of technical cooperation activities, as assessed by indicators contained in the relevant project documents.

B. Development of Africa

Objective

9.11 The objective of this subprogramme is to increase understanding of the economic development problems of Africa and to promote action required at the national, regional and international levels for the acceleration of African development and fuller

participation and positive integration of African countries into the world economy.

Strategy

9.12 The Division on Globalization and Development Strategies bears substantive responsibility for the subprogramme. The subprogramme will undertake research on specific challenges to the development of Africa, coordinate analytical work of UNCTAD in support of the objectives of the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF), and contribute to regional and subregional integration as well as to various other international initiatives on Africa, including cooperation with other United Nations bodies and organizations in the context of the United Nations System-wide Special Initiative on Africa, in view of the role of the United Nations Conference on Trade and Development as lead agency for the trade access and opportunities cluster of the Initiative. It will also contribute to consensus-building on regional and international policy actions in support of African development.

Expected accomplishments

9.13 Expected accomplishments would include an increased understanding of national and international policy choices to promote African development in the areas of expertise of UNCTAD.

Indicators of achievement

9.14 Indicators of achievement would include progress towards targets in UN-NADAF and other relevant international initiatives, and the quality of debate, outcomes and initiatives in response to work undertaken by the subprogramme in the relevant intergovernmental bodies and other relevant organizations and forums.

Subprogramme 2
Investment, enterprise and technology

Objective

9.15 With a view to increasing beneficial international investment flows to developing countries and the benefits they derive from those flows, the objective of this subprogramme is to improve understanding of issues and policy choices in international investment, enterprise internationalization and technology transfer, to strengthen developing countries' abilities to formulate and implement policies, measures and action programmes in these areas, and to promote understanding of emerging issues in order to strengthen those countries' ability to participate in discussions and negotiations.

Strategy

9.16 Substantive responsibility for this subprogramme is vested in the Division on Investment, Technology and Enterprise Development. In implementing the subprogramme, the Division will continue to strengthen its role as the major source of comprehensive information and analysis of international investment, focusing on the development dimension and on the integration of investment, technology and enterprise development issues. The subprogramme will support developing countries' efforts to respond to technological and scientific changes and to develop policy instruments for facilitating technology transfer. It will conduct research and policy analysis with a view to improving the understanding of key policy issues related to the role of foreign investment, technological capacity-building and enterprise internationalization, including small and medium-sized enterprises. It will also provide analysis and support international consensus-building on the role of international arrangements for the purpose of attracting and benefiting from foreign investment, enhancing technological capacity and promoting enterprise. Through its related technical assistance, the subprogramme will focus on enhancing national ability to formulate and implement policies to attract and benefit from foreign investment, strengthen technological capacities and foster the development of enterprises. The subprogramme will also analyse the implications of foreign portfolio investment for development.

Expected accomplishments

9.17 Expected accomplishments would include an improved understanding of issues related to international investment, enterprise internationalization and technology transfer; the improved ability of policy makers to design appropriate policies and strategies by attracting and benefiting from foreign investment, strengthening technological capacities and fostering the development of enterprises at the national, regional and

international levels; and increased understanding of key concepts of treaties and the development dimension of international investment agreements.

Indicators of achievement

9.18 Indicators of achievement would include: (a) the timeliness, usefulness, degree of implementation, and quality of the subprogramme's research and analysis programme, as measured by readership and other surveys; (b) Member States' views on the practical value and impact on the development prospects of developing countries of policy recommendations, as expressed in the conclusions of the regular review of the work programmes undertaken by intergovernmental bodies; and (c) the degree of implementation, effectiveness and impact of technical cooperation activities, as assessed by indicators contained in the relevant project documents.

Subprogramme 3
International trade

Objective

9.19 With a view to assisting developing countries to integrate themselves more fully into, and derive benefits from, the international trading system and to increasing their participation in world trade, the objective of the subprogramme is to improve understanding of current and emerging issues in international trade of concern to developing countries and to enhance ability to address those concerns in the areas of agriculture, services, electronic commerce, competition law and policy and the trade-environment-development nexus.

Strategy

9.20 Substantive responsibility for this subprogramme is vested in the Division on International Trade in Goods and Services, and Commodities. The subprogramme will address its objective *inter alia* by fostering more effective participation of developing countries in multilateral, regional and subregional trade negotiations and their enhanced participation in WTO itself (by submissions to the General Council and other bodies), and by contributing to the progress of accessions to WTO and to progress in regional and subregional trade arrangements. The strategy will furthermore involve: (a) empirical research and policy analysis to identify the parameters of the development dimensions of the multilateral trading system and the implications of existing and emerging multilateral trade rules for the development prospects of developing countries; (b) analysis of market access issues, including maximizing market access benefits for least developed countries; (c) supporting developing countries in multilateral trade negotiations and in the pursuit of regional integration; (d) analytical work to assist developing countries in multilateral negotiations on agriculture; (e) analysis of issues related to trade liberalization in the services sector and to international proposals on electronic commerce; (f) supporting intergovernmental consensus-building in trade by facilitating the establishment of a positive agenda for developing countries in future trade negotiations, including ways to address constraints faced in deriving full benefits from the world trading system; (g) assisting developing countries and countries with economies in transition to identify effective trade policy tools for development, to accede to WTO and to expand trade between those groups of countries; (h) providing training to developing countries and interested countries with economies in transition on key issues on the international trade agenda; (i) providing assistance through the UNCTAD/WTO/ITC Joint Integrated Technical Assistance Programme for Selected Least Developed and Other African Countries; (j) enabling developing countries to address competition law and policy and consumer protection issues, including the relationship between competition and competitiveness and trade-related aspects of competition; (k) assisting developing countries in the development of their export-oriented commodity sectors, particularly their supply capacities, focusing on diversification; and (l) helping to ensure balance in the trade and environment debate by highlighting issues of concern to developing countries, strengthening the development dimension and identifying issues that would yield potential benefits to developing countries, including in the trade-related areas of public health, biodiversity, transfer of environmentally sound technologies, and biotechnology.

Expected accomplishments

9.21 Expected accomplishments of the subprogramme would include strengthened capacities of developing countries to formulate, articulate and implement appropriate policies and strategies to participate

effectively in, and derive maximum benefit from, international trade, including enhanced capacities for multilateral trade negotiations.

Indicators of achievement

9.22 Indicators of achievement would include: (a) the timeliness, usefulness, degree of implementation, and quality of the subprogramme's research and analysis programme, as measured by readership and other surveys; (b) Member States' views on the practical value and impact on the development prospects of developing countries of policy recommendations, as expressed in the conclusions of the regular review of the work programmes undertaken by intergovernmental bodies; and (c) the degree of implementation, effectiveness and impact of technical cooperation activities, as assessed by indicators contained in the relevant project documents.

Subprogramme 4
Services infrastructure for development, trade efficiency and human resources development

Objective

9.23 The objective of this subprogramme is to enhance the capacity of developing countries and countries with economies in transition to improve their competitiveness in international trade by building an efficient trade-supporting services infrastructure, including through the use of information technologies.

Strategy

9.24 The Division for Services Infrastructure for Development and Trade Efficiency bears substantive responsibility for this subprogramme. The subprogramme will assist developing countries through policy analysis, consensus-building and, where appropriate, technical assistance programmes to build more efficient trade-supporting services in the areas of customs, transportation, banking, insurance, tourism and microenterprises and to enhance the availability of skills, knowledge and capacities relevant to the conduct of foreign trade. Emphasis will be placed on facilitating trade through increased and more effective use of information technologies, especially the development-related aspects of electronic commerce, and providing assistance to government institutions and enterprises and supporting their networking with academic institutions, so as to promote human resource development, including the gender dimension, and to maximize the benefit of human resource development activities to enterprises.

Expected accomplishments

9.25 Expected accomplishments would include more efficient trade-supporting services and more effective human resource development in beneficiary countries of technical assistance, and an improved understanding of policy options and strategies in these areas.

Indicators of achievement

9.26 Indicators of achievement would include: (a) the timeliness, usefulness, degree of implementation, and quality of the subprogramme's research and analysis programme, as measured by readership and other surveys; (b) Member States' views on the practical value and impact on the development prospects of developing countries of policy recommendations, as expressed in the conclusions of the regular review of the work programmes undertaken by intergovernmental bodies; and (c) the degree of implementation, effectiveness and impact of technical cooperation activities, as assessed by indicators contained in the relevant project documents, as well as through the benchmarking of trade-supporting services.

Subprogramme 5
Least developed countries, landlocked developing countries and small island developing States

Objective

9.27 The objective of this subprogramme is to contribute to the progressive and beneficial integration and participation in the global economy and international trading system of least developed countries, landlocked developing countries and small island developing States, including through the implementation of the outcomes of the Third United Nations Conference on the Least Developed Countries and contribution to the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries, and to contribute to the graduation of least developed countries.

Strategy

9.28 The Office of the Special Coordinator for Least Developed, Landlocked and Island Developing Countries will bear substantive responsibility for this subprogramme. It will pursue the subprogramme's objective by building on the coordination undertaken in the run-up to the Third United Nations Conference on the Least Developed Countries by following up, monitoring and assessing the progress in the implementation of the outcomes of the Conference, General Assembly resolutions and other international initiatives, and by promoting the United Nations system-wide coordination of that implementation and following up the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries. It will also continue to facilitate the implementation of the Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries and the Donor Community and contribute to the implementation of the relevant aspects of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States. It will further contribute to the consideration by the General Assembly and other relevant intergovernmental forums of the specific problems of least developed countries, landlocked developing countries and small island developing States, and coordinate technical assistance activities within UNCTAD in favour of those countries.

Expected accomplishments

9.29 Expected accomplishments would include the effective implementation of outcomes of the Third United Nations Conference on the Least Developed Countries; progress in the implementation of the Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries and the Donor Community; and effective contribution to the implementation of the Barbados Programme of Action in aspects relevant to UNCTAD.

Indicators of achievement

9.30 Indicators of achievement would include: (a) the timeliness, usefulness, degree of implementation, and quality of the subprogramme's research and analysis programme, as measured by readership and other surveys; (b) Member States' views on the practical value and impact on the development prospects of developing countries of policy recommendations, as expressed in the conclusions of the regular review of the work programmes undertaken by intergovernmental bodies; and (c) the degree of implementation, effectiveness and impact of technical cooperation activities, as assessed by indicators contained in the relevant project documents.

Subprogramme 6
Operational aspects of trade promotion and export development

Objective

9.31 The objective of this subprogramme is to build national capacities to identify new trading opportunities and address the business implications of the multilateral trading system by linking them to specific products and markets, with a view to enabling developing countries and countries with economies in transition to realize their full potential for developing exports and improving import operations.

Strategy

9.32 ITC bears substantive responsibility for the implementation of this subprogramme. It will pursue the objective by providing downstream technical assistance on the operational issues of trade promotion and export development. The core programme of work is designed to meet the special needs of least developed countries on a priority basis.

9.33 In pursuit of its objective, ITC will: (a) establish and nurture national networks of trade experts to raise awareness and develop capabilities to understand and respond to changes in the multilateral trading system; (b) offer a platform for discussion and facilitate the exchange of national experiences and best practices in finding business solutions to trade-related problems; (c) provide publications, training materials, courses and direct assistance related to the business implications of WTO Agreements; (d) develop and apply tools for national export potential surveys and strategic market research; (e) implement a "product-network" strategy involving the participative development of generic technical assistance products and their customization and dissemination through a network of partner institutions; (f) combine market intelligence with training, advisory services and business contacts for the export promotion of specific products and services, with particular emphasis on South-South trade and

poverty reduction; and (g) help national institutions in providing counselling services to enterprises in export planning, identification of customers, management of the supply chain, product development and adaptation, marketing, pricing, contracting and distribution.

9.34 The strategy will involve interventions in the following functional areas: institutional development for trade promotion and specialized support services; export training capacity development; capacity-building in international purchasing and supply management; strategic and operational market research; sector-specific product and market development; trade information management; and technical cooperation coordination, including needs assessment and programme/project design.

Expected accomplishments

9.35 Expected accomplishments of this subprogramme would include: (a) the establishment of national core expertise in multilateral trading system issues that involves a good understanding of product and market reality and potential; (b) trade development strategies that take into account supply capacities and international demand and commercial practices; (c) a reinforcement of trade support institutions in providing efficient services to the business community (in downstream areas not covered by subprogramme 4); (d) improved trade performance in selected product and services sectors; and (e) increased entrepreneurship and competitiveness at the enterprise level.

Indicators of achievement

9.36 Indicators of achievement would focus on national capacity-building and would include the scope and quality of services provided by trade support institutions (as assessed by the end-users); the institutions' capacity to adapt to evolving needs; and the volume and quality of information flows within and among networks.

Legislative mandates

The mandates below apply to subprogrammes 1 to 5:

TD/386	Plan of Action, adopted by the United Nations Conference on Trade and Development at its tenth session, on 19 February 2000
TD/387	Bangkok Declaration: Global Dialogue and Dynamic Engagement, adopted by the United Nations Conference on Trade and Development at its tenth session, on 19 February 2000

Subprogramme 6
Operational aspects of trade promotion and export development

ITC/AG/(XXXIII)/181	Report of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO on its thirty-third session